

Memorandum

Date: June 11, 2001

U.S. Department of Transportation

Office of the Secretary of Transportation
Office of Inspector General

Subject: INFORMATION: Audit Annoucement - Review of

Cost Accounting System, Flight Service Stations, FAA

Project Number: 01F3028F000

From: John L. Meche

Reply To Meche: x61496

Attn Of:

Deputy Assistant Inspector General for Financial, Information Technology, and Departmentwide Programs

To: Assistant Administrator for Financial Services Federal Aviation Administration

The Office of Inspector General is initiating an audit of the Federal Aviation Administration's (FAA) cost accounting system for Flight Service Stations (FSS). The objectives of the audit are to (1) evaluate the appropriateness of the completed business rules for cost assignment and allocation of cost, (2) test the accuracy and validity of the allocations, and (3) ensure that costs were accurately reported in the Cost Accounting System in accordance with applicable standards.

We will contact your audit liaison to establish an entrance conference to discuss the audit. We plan to start the audit in late June 2001. The Program Director for this project is Keith Cosper and the Project Manager is Paul Barry. For any additional information, please call Keith Cosper or me at x61496.